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ABSTRACT

Because evidence is clear that in many developing countries development will be postponed indefinitely unless slower population growth can be achieved soon, the international community must work together in a renewed effort to slow population growth. Assistance can be accomplished in three ways: (1) encouraging dialog aimed at forging understanding of the causes and consequences of population trends and encouraging the design of policies addressed to population growth and development, (2) supporting the economic and social development efforts in different sectors, in particular those which stimulate a demand for smaller families, such as education for women and improved economic security for the poor; and (3) assisting in the extension and improvement of family planning and basic health services. The World Bank has committed some $500 million for population projects and over $100 million for health projects. The Bank begins by working with countries to identify objectives and requirements for various resources, then helping coordinate with other donors to meet a variety of needs--clinics and equipment, medicines and contraceptives, information and education, training and local recurring costs, technical and management assistance, and better ways to deliver health and family planning services. Although the Bank plans to at least double its population and related health lending over the next few years, the whole donor community must help by making a commitment to the slowing of population growth. (LH)

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Address to the International Population Conference

Mexico City
August 7, 1984

Population Growth and Economic and Social Development

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President
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Mr. President, Mr. Secretary-General, Distinguished Delegates:

I am grateful for the opportunity to address this plenary session of the International Population Conference.

The World Bank's deep interest in the issues confronting this distinguished forum is well known. No one would argue that slower population growth can alone assure development. But the evidence is clear that, in many developing countries, development will be postponed indefinitely unless slower population growth can be achieved soon—even before higher real incomes would bring down fertility spontaneously.

That evidence is set forth in our recent staff study, the *World Development Report* of 1984, which I respectfully commend to you. What that evidence means is that the international community must work together in a renewed effort to slow population growth. Such an effort is critical to the drive to accelerate economic and social development.

The past hundred years have brought to this globe extraordinary economic and technological progress, and vast increases in population. It is time now to use our economic gains and our accumulated wisdom to better the human condition. We cannot and we must not bequeath to future generations a world in which the most spectacular growth has been in the number of people living in absolute poverty.

The evidence is overwhelming that rapid population growth impedes efforts to raise living standards in most of the developing world. There must therefore be a continuing effort to contain population growth if pervasive poverty is to be eased and development accelerated. But it must be contained through policies and programs that are humane, noncoercive, and sensitive to the rights and dignity of individuals. We believe that the international community has no alternative but to cooperate, with a sense of urgency, in this endeavor. And we already know from experience that the objectives of this endeavor can indeed be achieved.

That is what this great gathering in Mexico City is all about. This morning, therefore, I would like to tell you how we at the World Bank will join in this endeavor.

Ten years ago in Bucharest, at the first International Conference on Population, the World Plan of Action, which this conference is reviewing, was drawn up after a vigorous debate; a debate over whether birth rates could be brought down more rapidly by concentrating on family planning or by concentrating on development that built demand for smaller families.

During the ten years since the Bucharest conference, we have all reached the conclusion that it is a false dichotomy. Rapid reductions in population growth, and indeed rapid improvements in living standards, plainly require a *combination* of economic and social development *with* family planning.

Let me now focus on how the Bank, as part of the development community, can support an effective combination of these approaches.

We believe that assistance can be brought in three key ways:

- First, through productive dialogue—dialogue between all involved in the development process—with the aim of forging effective understanding of the causes and consequences of population trends, and encouraging the design of policies addressed to the link between population growth and development
- Second, through supporting the economic and social development efforts in different sectors, in particular those which stimulate a demand for smaller families, such as education for women and improved economic security for the poor
- Third, through assisting in the extension and improvement of family planning and basic health services.

The World Bank can, and does, seek to provide effective assistance through each of these approaches.

The economic dialogue which the World Bank conducts with its borrowing member countries is the linchpin of its lending program. In it we are giving increasing attention to the consequences of rapid population growth. Those consequences vary, depending on the institutional, economic, cultural, and demographic setting. But most countries find that rapid population growth makes the choice between higher consumption now and the investment needed for higher consumption in the future very stark indeed. They face the pressing problem of large increases in their labor forces, alarming overcrowding of their cities, strains on basic services, and the threat to an already precarious balance between limited natural resources and a growing population. Technical change may bring some alleviation. But such change is neither free nor predictable.

Frustrated development expectations, environmental stress, strain on maternal and child health, limitations on women's opportunities—all owing much to high population growth rates—are obvious issues for discussion when the Bank and its borrowing members review development strategies.

The second key way in which the Bank can help is to support those aspects of development which most influence fertility. Why do poor parents say they cannot afford *few* children, while richer, better educated parents say they cannot afford *many*? Poor parents, especially mothers, are forced to depend on children for old-age support, protection, and help. But we see development generate interest in smaller families as parents' expectations for their children increase and as their own economic and social choices expand. We must help parents reduce their dependence on children and help widen economic opportunities for women. But how can these objectives be affordably achieved?

Alleviation of the severest poverty, for example by improving small-farm productivity, is a high priority. So is basic education, particularly for girls; the provision to women of more technology, credit, and productive inputs; and stronger sav-

ings institutions. This requires making education and production-oriented programs in agriculture and industry more accessible—and opening them more to women. These development objectives, particularly when focused on poverty alleviation, are worth supporting in their own right. But their impact on family size is another solid reason for emphasizing them. We will strengthen our emphasis on lending for basic education, especially for women, and on encouraging policy reforms that will widen women's educational and employment options.

Third, the Bank can assist in extending and improving family planning and health services. Basic health care not only serves humanitarian ends, it also improves productivity. Family planning demonstrably improves maternal and child health, reducing child mortality, which in turn promotes interest in family planning. Encouraging child spacing is particularly important. Here in Mexico, for example, the data show that the birth of a child less than two years after the birth of a sibling doubles the risk of death for the elder child during his or her second year of life.

Family planning also makes a demographic difference in widely different settings. As already cited in this forum, vigorous government support for family planning here in Mexico has helped reduce population growth from 3.2 percent in 1970 to about 2.4 percent today. Strong government support has also helped reduce population growth rates in countries such as Korea and Thailand, and, to take other examples, in Colombia, Indonesia, and parts of Bangladesh and India.

Family planning can be effectively introduced in a broad range of conditions if service programs are carefully designed. We have seen this work in all areas of the world; it has certainly worked here in Mexico. And what are the keys to effectiveness? They include:

- offering a variety of family planning methods and information about them

- providing basic health care to improve maternal and child health
- delivering services not just at clinics but through active outreach programs rooted in individual communities
- structuring programs that are manageable and culturally sensitive.

Demand for family planning services often outruns supply. An estimated 65 million couples in the developing world, many of them poor inhabitants of rural areas, do not want more children, but do not use any contraception. This is often for lack of access to effective means of fertility control. Today, less than 40 percent of the couples in the developing world outside China have access to adequate family planning services. In Peru, for example, collected data suggest that about half of the couples want no more children or want to space births, but lack access to family planning services. At least one-third of the couples in Bangladesh appear to face the same dilemma.

These are the dimensions of the challenge.

Most family planning services in developing countries are provided by governments along with maternal and child health care. But private organizations are active in many countries, even though they must rely on uncertain support from abroad. In Latin America they provide services on a wide scale. Private health care providers and pharmacies reach urban and even rural areas, particularly in the better-off countries. But this alone cannot be relied upon to correct inequalities of access to services. As a practical matter, governments must be the main source of support, particularly in the poorest countries.

The World Bank helps governments extend health care together with family planning. Family planning and other basic maternal and child health care make a natural package. But family planning can often be underemphasized. We therefore

also support more focused family planning programs, some independent of the health system.

In the last fourteen years the Bank has committed some $500 million for population projects and over $100 million for health projects. Many of the health projects include family planning. Strengthening the health system and providing a better flow of information to parents are often necessary measures to extend family planning. This is true particularly where health care facilities are scarce and where parents are reluctant to use family planning without firmer evidence that their children will survive.

In our population and health lending, the World Bank begins by working with countries to identify objectives and requirements for various resources. We may then help coordinate formally or informally with other donors to ensure that requirements are met through a sensible division of labor. The Bank helps meet a variety of needs—clinics and equipment, medicines and contraceptives, information and education, training and local recurring costs, technical and management assistance, and efforts to test better ways to deliver health and family planning services.

We know well the outstanding record of nongovernmental organizations (NGOs) in this field, and the Bank encourages continuing and growing support for them from the developing countries and the donor community. We provide modest support for NGOs through our projects with governments, and are actively exploring ways of cooperating further with them.

The Bank is exploring opportunities to support further research: on the consequences of population growth, on social and economic forces that influence population growth, and on more effective service delivery. We are considering direct Bank support of international efforts in contraceptive research.

In short, the World Bank is both willing and able to do more in the population field. Requests for population assistance are

rising, and where there are programs that we can effectively support, we shall certainly respond. We plan to at least double our population and related health lending over the next few years, and our major focus will be on Africa and Asia where population and related health problems are still the most dramatic. For example, in the next five years, the number of population and related health projects that we aim to finance in sub-Saharan Africa will total more than twenty, and the borrowing countries will likely number seventeen. We look forward to cooperating with governments, with other donors, with other U.N. organizations, especially UNFPA, and with private organizations in the design and implementation of effective population policies and programs as requested by our member governments.

With the increase in demand, and with the continuing development of effective approaches to family planning, we have concluded in our *World Development Report* that population assistance could usefully triple or even quadruple between now and the end of the century. Population assistance is now about $500 million annually—less than 2 percent of official development aid. Yet this small effort supports about 25 percent of all family planning costs in developing countries, and about 50 percent of family planning programs outside China.

A quadrupling of population assistance in real terms could raise the level to some $2 billion per annum by the year 2000. Even such a relatively small volume of donor assistance could, given effective policies in developing countries, make a vast difference to population growth, to maternal and child health, and thus to the future we share. Surely all donors can recognize that fact and respond accordingly.

But a few donors should not be expected to carry the bulk of the burden. The whole donor community must help. The developed world has had access to good family planning services for some time now. And its experience has shown that such services cost little. If donors and developing countries were each to make minimal adjustments in their budget al-

locations, the resources would be there to make such services available to most people in the developing world as well.

If we can make that commitment here in this forum—making the slowing of population growth the priority that it surely is—we shall have taken a giant step toward more rapid economic and social development in the developing world.

Thank you.

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